

Audit

Report



OFFICE OF THE INSPECTOR GENERAL

**DEFENSE BASE REALIGNMENT AND CLOSURE
BUDGET DATA FOR THE CLOSURE OF NAVAL
TRAINING CENTER SAN DIEGO, CALIFORNIA**

Report No. 95-221

June 6, 1995

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Acronyms

BRAC
MILCON
NTC
PWC

Base Realignment and Closure
Military Construction
Naval Training Center
Public Works Center



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-2884



June 6, 1995

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT AND COMPTROLLER)

SUBJECT: Audit Report on Defense Base Realignment and Closure Budget Data for
the Closure of Naval Training Center San Diego, California
(Report No. 95-221)

We are providing this audit report for your review and comment. This report is one in a series of reports about FY 1996 Defense base realignment and closure military construction costs. The report discusses four military construction projects for the closure of Naval Training Center San Diego, California.

DoD Directive 7650.3 requires that all audit recommendations and monetary benefits be resolved promptly. The Navy and the Under Secretary of Defense (Comptroller) did not provide comments on a draft of this report. Therefore, we request that the Navy and the Under Secretary of Defense (Comptroller) provide comments on the recommendations and monetary benefits in this final report by July 6, 1995.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Mr. Terry L. McKinney, Audit Program Director, at (703) 604-9288 (DSN 664-9288) or Ms. Bobbie Sau Wan, Audit Project Manager, at (703) 604-9259 (DSN 664-9259). See Appendix F for the report distribution. The audit team members are listed inside the back cover.

David K. Steensma

David K. Steensma
Deputy Assistant Inspector General
for Auditing

Office of the Inspector General, DoD

Report No. 95-221
(Project No. 5CG-5017.12)

June 6, 1995

Defense Base Realignment and Closure Budget Data for the Closure of Naval Training Center San Diego, California

Executive Summary

Introduction. Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, directs the Secretary of Defense to ensure that the amount of the authorization that DoD requested for each military construction project associated with Defense base realignment and closure does not exceed the original estimated cost provided to the Commission on Defense Base Closure and Realignment (the Commission). If the requested budget amounts exceed the original project cost estimates provided to the Commission, the Secretary of Defense is required to explain to Congress the reasons for the differences. The Inspector General, DoD, is required to review each base realignment and closure military construction project for which a significant difference exists from the original cost estimate and to provide the results of the review to the congressional Defense committees. This report is one in a series of reports about FY 1996 Defense base realignment and closure military construction costs.

Audit Objectives. The overall audit objective was to determine the accuracy of Defense base realignment and closure military construction budget data. This report provides the audit results for 4 military construction projects, valued at \$14.4 million, for realignment and closure of Naval Training Center San Diego, California. The audit also assessed the adequacy of the management control program as it applied to the audit objective.

Audit Results. Of the four projects we reviewed, we found problems with two projects.

- o The Naval Facilities Engineering Command did not perform economic analyses or consider alternative existing facilities to determine the most cost effective site for project P-175T, "Public Works Center." As a result, project P-175T (estimated to cost \$2.9 million) was overstated by \$1.1 million (Finding A).

- o Project P-389T, "Navy Exchange Laundry/Dry Cleaning," is unnecessary because the function was contracted to private vendors. As a result, cancellation of project P-389T would save \$2.4 million (Finding B).

Projects P-023T, "Applied Instruction Facility," and P-384T, "Medical Research Laboratory," were based on valid Defense base realignment and closure requirements and were adequately documented and supported by economic analyses that considered existing facilities. See Appendix D for a summary of potential benefits of the audit. The review of the management control programs will be discussed in a summary report on base realignment and closure military construction budget data.

Summary of Recommendations. We recommend the Navy revise project P-175T and prepare a new DD Form 1391 for relocating its Public Works shops to renovated, instead of newly-constructed, facilities. We recommend that the Navy cancel project P-389T. We also recommend that the Under Secretary of Defense (Comptroller) cancel \$3.5 million and suspend \$1.8 million of the funding for the base realignment and closure of Naval Training Center San Diego.

Management Comments. The Navy and the Under Secretary of Defense (Comptroller) did not respond to a draft of this report in time for comments to be included in the final report. Therefore, we request the Navy and the Under Secretary of Defense (Comptroller) to provide comments by July 6, 1995.

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Part I - Audit Results

Audit Results

Audit Background

The Inspector General, DoD, is performing various audits of the Defense base realignment and closure (BRAC) process. This report is one in a series of reports about FY 1996 BRAC military construction (MILCON) costs. For additional information on the BRAC process and the overall scope of the audit of BRAC MILCON costs, see Appendix C.

Audit Objectives

The overall audit objective was to determine the accuracy of Defense BRAC MILCON budget data. The specific objectives were to determine whether the proposed projects were valid BRAC requirements, whether the decision for MILCON was supported with required documentation including an economic analysis, and whether the economic analysis considered existing facilities. This audit also assessed the adequacy of the management control program as it applied to the audit objective.

This report provides the results of the audit of four BRAC MILCON projects, valued at \$14.4 million, for the closure of Naval Training Center San Diego, California. Project P-023T, "Applied Instruction Building," valued at \$8.4 million, and project P-384T, "Medical Research Laboratory," valued at \$685,000, were based on valid BRAC requirements and were adequately documented and supported by economic analyses that considered existing facilities. See Appendix A for a discussion of the scope and methodology and Appendix B for a summary of prior coverage related to the audit objectives. The management control program will be discussed in a summary report on BRAC MILCON budget data. Therefore, this report does not discuss our review of management controls.

Other Matters of Interest

Further realignment or closure of Navy organizations and missions in the San Diego, California, area are being considered in the 1995 Defense BRAC process. The findings and recommendations for corrective action in this report do not consider the potential impact of the 1995 Defense BRAC process because the 1995 Commission on Defense Base Closure and Realignment has not yet approved the new BRAC recommendations and could reverse or modify them during the approval process. This report recommends the relocation of an activity to an existing facility. Should that facility be closed, the recommendation cannot be implemented.

Finding A. Public Works Center

The Navy did not consider alternatives to new construction for relocation of the Public Works Center (PWC) facilities from the Naval Training Center (NTC) San Diego to another location in the San Diego area. The alternatives to new construction were not considered because management did not communicate to its civil engineers the internal DoD and Navy written policies and procedures that require economic analyses on MILCON projects where estimated costs were \$2 million or more, including BRAC MILCON projects. As a result, project P-175T was overstated by \$1.1 million.

Public Works Center San Diego Mission and Organization

The overall mission of PWCs is to "satisfy . . . fleet and shore customers by providing quality, responsive, cost-effective, and environmentally sound public works products and services through an innovative, talented, and dedicated work force." The mission of the PWC at the NTC San Diego is to maintain, alter, repair, and perform upkeep and minor construction for all public works and public utilities, including buildings and waterfront activities for various military installations in the Point Loma general area. The PWC consists of four zones and project P-175T, "Public Works Center," is for the relocation of Zone 3, which involves the maintenance and transportation departments.

Requirements of DD Form 1391, "FY 1996 Military Construction Project Data"

Project P-175T is for the construction of a building to provide facilities for a public works center shop for the Point Loma vicinity. At NTC San Diego, the PWC occupies a total space of 66,176 square feet in 13 buildings. In the FY 1996 BRAC MILCON budget, project P-175T was for the construction of an 18,660-square-foot facility at a cost of \$2.9 million. The requirements for the project were adequately supported by Naval Facilities Engineering Command Publication P-80, "Facility Planning Criteria for Navy and Marine Corps Shore Installations."

Taylor Street Complex - Alternative to New Construction

Economic Analyses of MILCON Projects. On August 2, 1991, the Under Secretary of Defense (Comptroller) issued a memorandum that directed the

Finding A. Public Works Center

Military Departments to prepare an economic analysis on all MILCON projects exceeding \$2 million. The cognizant PWC civil engineer stated that he believed the requirement to apply only to non-BRAC MILCON projects; therefore, no economic analysis was performed to determine whether more cost-effective alternatives to new construction existed to relocate the PWC facilities currently located at NTC San Diego.

Initial Consideration of Alternatives to New Construction. The 1993 Commission recommended that NTC San Diego should be closed and that the PWC should be relocated in the San Diego area. According to the Public Works Center civil engineer, only those sites that were within close proximity to the Point Loma area of San Diego could be considered for the PWC Zone 3 relocation. One possible alternative was to construct a new facility at another available site, which was located inland away from the coastline. Another alternative was to renovate the Navy's Taylor Street complex, which is located near the PWC Zone 3 service area. The PWC civil engineer stated that the renovation alternative was recommended to the PWC commander; however, the commander did not approve further consideration of the Taylor Street alternative. Thus, no economic analysis was performed for the initial DD Form 1391 to determine whether renovation of the Taylor Street facility would be a viable alternative to new construction.

Economic Analysis of Taylor Street Alternative

During the audit, Inspector General, DoD, auditors questioned whether it was appropriate to fund new construction to accommodate the PWC relocation without performing an economic analysis of other available alternatives. In response to our concerns, PWC civil engineers performed a detailed economic comparative analysis between the Taylor Street complex renovation option and the new construction option. PWC civil engineers concluded that the renovation option would cost approximately \$1.1 million less than constructing new facilities to accommodate the PWC relocation. The comparative analysis also concluded that the renovation alternative would be more cost-effective, even taking into account the greater future periodic maintenance costs for the renovated facility as compared to a newly-constructed facility.

Conclusion

BRAC funds should be used for new construction only as a last resort after all other alternatives, such as renovation or alteration of existing excess facilities, have been considered. However, the Navy failed to evaluate and consider existing alternatives to new construction to relocate the PWC facilities presently located at NTC San Diego. In response to auditor inquiries, PWC personnel

Finding A. Public Works Center

performed an economic analysis that showed that the Navy could save approximately \$1.1 million in BRAC MILCON funds by renovating an existing Navy facility. Thus, construction of a new PWC facility is unnecessary.

Recommendations for Corrective Action

A.1. We recommend that the Commander, Naval Facilities and Engineering Command, direct that Navy Public Works Center San Diego:

a. Revise project P-175T, "Public Works Shops." Navy Public Works Center San Diego should prepare a new DD Form 1391 to renovate the existing Taylor Street Complex instead of constructing a new facility.

b. Conduct training for appropriate civil engineering personnel to ensure that economic analyses are performed for all military construction projects in excess of \$2 million.

A.2. We recommend that the Under Secretary of Defense (Comptroller) cancel \$1.1 million from project P-175T and suspend the remaining \$1.8 million until the project is revised and revalidated.

Management Comments

The Navy and the Under Secretary of Defense (Comptroller) did not provide comments on a draft of this report. Therefore, we request that the Navy and the Under Secretary of Defense (Comptroller) comment on the final report. Comments should be received by July 6, 1995.

Finding B. Laundry/Dry Cleaning Plant

Project P-389T, "Naval Exchange Laundry/Dry Cleaning," is unnecessary. That condition exists because the laundry and dry cleaning functions have been contracted out to private vendors. As a result, BRAC MILCON funding for the closure of NTC San Diego, can be reduced by \$2.4 million.

Naval Training Center San Diego Laundry/Dry Cleaning

The laundry/dry cleaning facility at NTC San Diego performed laundry, dry cleaning, and tailoring services for the entire San Diego complex of Navy and Marine activities, with the exception of Camp Pendleton. In January 1995, the laundry/dry cleaning facility was closed. Its functions were contracted out to private vendors. The Navy had budgeted \$2.4 million to replace the existing central laundry/dry cleaning facility at NTC San Diego. Construction of the new facility is planned at the Navy Outlying Landing Field in Imperial Beach, California.

Navy Laundry/Dry Cleaning Operations

In September 1994, the Navy Exchange directed the Navy laundry/dry cleaning facility at NTC San Diego to cease operations because of reduced volume caused by the transfer of Navy recruits to Great Lakes, Illinois. The facility was designed to process a large volume of laundry and dry cleaning using an assembly line. After the transfer of the recruits, the facility was unable to operate profitably and was losing approximately \$63,000 monthly. After closing the laundry/dry cleaning plant, the Navy Exchange awarded two contracts to two private vendors to perform dry cleaning and laundry services at vendor facilities in the San Diego area. According to Navy Exchange representatives, the contracts have thus far been performed adequately and cost effectively. In addition, adequate competition seems to exist among potential contractors to ensure fair and reasonable prices for laundry and dry cleaning services in the San Diego area.

Conclusion

Construction of a new laundry/dry cleaning plant to replace the facility at NTC San Diego, is not necessary. Because of cost considerations, the Navy has ceased operations of the existing plant and contracted out the laundry/dry cleaning function to private vendors. The Navy has provided no support to

Finding B. Laundry/Dry Cleaning Plant

demonstrate why that arrangement should not continue permanently. Canceling the project would eliminate the BRAC MILCON requirement of \$2.4 million; therefore, project P-389T should be canceled.

Recommendations for Corrective Action

B.1. We recommend that the Chief, Navy Education and Training, cancel project P-389T, "Naval Exchange Laundry/Dry Cleaning."

B.2. We recommend that the Under Secretary of Defense (Comptroller) cancel funding for project P-389T, "Naval Exchange Laundry/Dry Cleaning."

Management Comments

The Navy and the Under Secretary of Defense (Comptroller) did not provide comments on a draft of this report. Therefore, we request that the Navy and the Under Secretary of Defense (Comptroller) comment on the final report. Comments should be received by July 6, 1995.

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Part II - Additional Information

Appendix A. Scope and Methodology

Scope of This Audit. We examined the FY 1996 BRAC MILCON budget request and related documentation for four realignment projects regarding the closure of Naval Training Center, San Diego. Those four projects, at a planned cost of \$14.4 million, are listed below.

FY 1996 BRAC MILCON Projects for Closure of NTC San Diego

<u>Project Number</u>	<u>Project Title</u>	<u>Estimated Cost</u>
P-389T	Naval Exchange Laundry/Dry Cleaning	\$ 2,440,000
P-023T	Applied Instruction Facility	8,403,000
P-175T	Public Works Center	2,920,000
P-384T	Medical Research Laboratory	685,000
Total		\$14,448,000

Audit Standards, Period, and Locations. This economy and efficiency audit was made January through March 1995 in accordance with auditing standards issued by the Comptroller General of the United States as implemented by the Inspector General, DoD. Accordingly, we included tests of management controls considered necessary. The audit did not rely on computer-processed data or statistical sampling procedures. See Appendix D for the potential benefits resulting from the audit. Appendix E lists the organizations visited or contacted during the audit.

Appendix B. Summary of Prior Audits and Other Reviews

Since 1991, numerous audit reports have addressed DoD BRAC issues. This appendix lists selected DoD and Navy BRAC reports.

Inspector General, DoD

<u>Report No.</u>	<u>Report Title</u>	<u>Date</u>
95-205	Defense Base Realignment and Closure Budget Data for the Relocation of Marine Corps Manpower Center at Marine Corps Combat Development Command, Quantico, Virginia	May 26, 1995
95-203	Defense Base Realignment and Closure Military Construction Budget Data for the Army Reserve Center, Sacramento, California	May 25, 1995
95-198	Defense Base Realignment and Closure Budget Data for the Closure of the Underway Replenishment Training Facility, Treasure Island, California, and Realignment to the Expeditionary Warfare Training Group Atlantic, Norfolk, Virginia	May 19, 1995
95-196	Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Alameda, California, and realignment to Puget sound Naval Shipyard, Washington	May 17, 1995
95-191	Defense Base Realignment and Closure Budget Data for the Closure of Naval Reserve Readiness Center San Francisco, California, and Realignment to Naval and Marine Corps Reserve Center Alameda, California	May 15, 1995
95-172	Defense Base Realignment and Closure Budget Data for Griffiss Air Force Base, New York	April 13, 1995
95-154	Audit of Construction Budget Data for Realigning Naval Training Centers Orlando and San Diego to Various Sites	March 21, 1995

Appendix B. Summary of Prior Audits and Other Reviews

Inspector General, DoD (cont'd)

<u>Report No.</u>	<u>Report Title</u>	<u>Date</u>
95-150	Defense Base Realignment and Closure Budget Data for Closing Naval Station Charleston, South Carolina, and Realigning Projects at Various Sites	March 15, 1995
95-051	Defense Base Realignment and Closure Budget Data for Closing Mare Island Naval Shipyard, California, and Realigning Projects to Various Sites	December 9, 1994
95-041	Defense Base Realignment and Closure Budget Data for the Closure of Marine Corps Air Stations El Toro and Tustin, California, and the Realignment to Naval Air Station Miramar, California	November 25, 1994
95-039	Defense Base Realignment and Closure Budget Data for Naval Air Station Miramar, California, Realigning to Naval Air Station Fallon, Nevada	November 25, 1994
95-037	Realignment of the Fleet and Mine Warfare Training Center from Naval Station Charleston, South Carolina, to Naval Station Ingleside, Texas	November 23, 1994
95-029	Defense Base Realignment and Closure Budget Data for Naval Air Station Miramar, California, and Realigning Projects to Various Sites	November 15, 1994
95-010	Defense Base Realignment and Closure Budget Data for Marine Corps Air Station Tustin, California, and Realignment to Marine Corps Air Station Camp Pendleton, California	October 17, 1994
94-179	Defense Base Realignment and Closure Budget Data for McGuire Air Force Base, New Jersey; Barksdale Air Force Base, Louisiana; and Fairchild Air Force Base, Washington	August 31, 1994
94-146	Defense Base Realignment and Closure Budget Data for Closing Naval Air Station Cecil Field, Florida, and Realigning Projects to Various Sites	June 21, 1994

Appendix B. Summary of Prior Audits and Other Reviews

Inspector General, DoD (cont'd)

<u>Report No.</u>	<u>Report Title</u>	<u>Date</u>
94-141	Defense Base Realignment and Closure Budget Data for Naval Air Stations Dallas, Texas, and Memphis, Tennessee, Realigning to Carswell Air Reserve Base, Texas	June 17, 1994
94-127	Defense Base Realignment and Closure Budget Data for the Realignment of the Defense Personnel Support Center to the Naval Aviation Supply Office Compound in North Philadelphia, Pennsylvania	June 10, 1994
94-126	Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Glenview, Illinois, and Realignment Projects at Fort McCoy, Wisconsin, and Carswell Air Reserve Base, Texas	June 10, 1994
94-125	Defense Base Realignment and Closure Budget Data for the Naval Medical Center Portsmouth, Virginia	June 8, 1994
94-121	Defense Base Realignment and Closure Budget Data for Naval Air Technical Training Center, Naval Air Station Pensacola, Florida	June 7, 1994
94-109	Quick-Reaction Report on the Audit of Defense Base Realignment and Closure Budget Data for Naval Training Center Great Lakes, Illinois	May 19, 1994
94-108	Quick-Reaction Report on the Audit of Defense Base Realignment and Closure Budget Data for Naval Station Treasure Island, California	May 19, 1994
94-107	Griffiss Air Force Base, New York, Defense Base Realignment and Closure Budget Data for Military Construction at Other Sites	May 19, 1994
94-105	Defense Base Realignment and Closure Budget Data for a Tactical Support Center at Naval Air Station Whidbey Island, Washington	May 18, 1994

Appendix B. Summary of Prior Audits and Other Reviews

Inspector General, DoD (cont'd)

<u>Report No.</u>	<u>Report Title</u>	<u>Date</u>
94-104	Defense Base Realignment and Closure Budget Data for the Defense Contract Management District-West	May 18, 1994
94-103	Air Force Reserve 301st Fighter Wing Covered Aircraft Washrack Project, Carswell Air Reserve Base, Texas	May 18, 1994
94-040	Summary Report on the Audit of Defense Base Closure and Realignment Budget Data for FYs 1993 and 1994	February 14, 1994
93-100	Summary Report on the Audit of Defense Base Closure and Realignment Budget Data for Fiscal Years 1992 and 1993	May 25, 1993

Naval Audit Service

041-S-94	FY 1995 Military Construction Projects From Decisions of 1993 Base Closure and Realignment Commission	April 15, 1994
023-S-94	Military Construction Projects Budgeted and Programmed for Bases Identified for Closure or Realignment	January 14, 1994
028-C-93	Implementation of the 1993 Base Closure and Realignment Process	March 15, 1993

Appendix C. Background of Defense Base Realignment and Closures and Scope of the Audit of FY 1996 Defense Base Realignment and Closure Military Construction Costs

Commission on Defense Base Closure and Realignment. On May 3, 1988, the Secretary of Defense chartered the Commission on Defense Base Closure and Realignment (the Commission) to recommend military installations for realignment and closure. Congress passed Public Law 100-526, "Defense Authorization Amendments and Base Closure and Realignment Act," October 24, 1988, which enacted the Commission's recommendations. The law also established the DoD Base Closure Account to fund any necessary facility renovation or MILCON projects associated with BRAC. Public Law 101-510, "Defense Base Closure and Realignment Act of 1990," November 5, 1990, reestablished the Commission. The law also chartered the Commission to meet during calendar years 1991, 1993, and 1995 to verify that the process for realigning and closing military installations was timely and independent. In addition, the law stipulates that realignment and closure actions must be completed within 6 years after the President transmits the recommendations to Congress. The following table summarizes the current estimated costs and net savings for the previous three BRAC actions and the actions recommended in the 1995 Commission decisions:

BRAC Costs and Savings
(Billions of FY 1996 Dollars)

	<u>BRAC Actions</u>		<u>Closure Costs</u>	<u>Recurring 6-Year Net Savings</u>	<u>Annual Savings</u>	<u>Total Savings</u>
	<u>Realignments</u>	<u>Closures</u>				
1988	86	59	\$ 2.2	\$ 0.3	\$0.7	\$ 6.8
1991	34	48	4.0	2.4	1.6	15.8
1993	130	45	6.9	0.4	1.9	15.7
Subtotal	250	152	13.1	3.1	4.2	38.3
1995	113	33	3.8	4.0	1.8	18.4
Total	363	185	\$16.9	\$7.1	\$6.0	\$56.7

Required Defense Reviews of BRAC Estimates. Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, states that the Secretary of Defense shall ensure that the authorization amount that DoD requested for each MILCON project associated with BRAC actions does not exceed the original estimated cost provided to the Commission. Public Law 102-190 also states that the Inspector General, DoD, must evaluate significant increases in BRAC MILCON project costs over the estimated costs provided to the Commission and send a report to the congressional Defense committees.

Appendix C. Background of Defense Base Realignment and Closures and Scope of the Audit of FY 1996 Defense Base Realignment and Closure Military Construction Costs

Military Department BRAC Cost-estimating Process. To develop cost estimates for the Commission, the Military Departments used the Cost of Base Realignment Actions computer model (the computer model). The computer model uses standard cost factors to convert the suggested BRAC options into dollar values to provide a way to compare the different options. After the President and Congress approve the BRAC actions, DoD realigning activity officials prepare a DD Form 1391, "FY 1996 Military Construction Project Data," for each individual MILCON project required to accomplish the realigning actions. The computer model provides cost estimates as a realignment and closure package for a particular realigning or closing base. The DD Form 1391 provides specific cost estimates for an individual BRAC MILCON project.

Limitations and Expansion to Overall Audit Scope. Because the computer model develops cost estimates as a BRAC package and not for individual BRAC MILCON projects, we were unable to determine the amount of cost increases for each individual BRAC MILCON project. Additionally, because of prior audit efforts that determined potential problems with all BRAC MILCON projects, our audit objectives included all large BRAC MILCON projects.

Overall Audit Selection Process. We reviewed the FY 1996 BRAC MILCON \$1.4 billion budget submitted by the Military Departments and the Defense Logistics Agency. We excluded projects that were previously reviewed by DoD audit organizations. We grouped the remaining BRAC MILCON projects by location and selected groups of projects that totaled at least \$1 million for each group.

Appendix D. Summary of Potential Benefits Resulting From Audit

Recommendation Reference	Description of Benefit	Amount and Type of Benefit
A.1.a.	Economy and Efficiency. Cancels new construction and resubmits DD Form 1391 for renovation of existing facilities.	Undeterminable.*
A.1.b.	Management Control. Ensures compliance with DoD Policy requiring economic analysis for all MILCON projects in excess of \$2 million.	Undeterminable.*
A.2.	Economy and Efficiency. Reduces the FY 1993 BRAC MILCON authorizations for overstated requirements.	FY 1996 Base Closure Account funds of about \$1.1 million put to better use.*
B.1.	Economy and Efficiency. Cancels MILCON project for new laundry/dry cleaning facilities.	Undeterminable.*
B.2.	Economy and Efficiency. Reduces the FY 1993 BRAC MILCON authorizations for unnecessary requirements.	FY 1996 Base Closure Account funds of about \$2.4 million put to better use.*

*Exact amount of additional benefits to be realized will be determined by future budget decisions and budget requests.

Appendix E. Organizations Visited or Contacted

Office of the Secretary of Defense

Under Secretary of Defense for Acquisition and Technology, Washington, DC
Under Secretary of Defense (Comptroller), Washington, DC

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller),
Washington, DC

Department of the Army

Auditor General, Washington, DC

Department of the Navy

Assistant Secretary of Navy (Financial Management), Washington, DC*
Naval Facilities Engineering Command, Alexandria, VA
 Southwest Division, San Diego, CA
Chief Naval Education and Training, Pensacola, FL
 Naval Training Center, San Diego, CA
 Fleet Training Center, San Diego, CA
Navy Exchange Command, Virginia Beach, VA
 Navy Exchange Service Center, San Diego, CA
 Navy Exchange North Island, San Diego, CA

Defense Organization

Defense Logistics Agency, Alexandria, VA

*Now, Assistant Secretary of the Navy (Financial Management and Comptroller).

Appendix F. Report Distribution

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Appendix F. Report Distribution

Defense Organizations

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Director, Defense Logistics Agency
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Inspector General, Central Imagery Office

Non-Defense Federal Organizations and Individuals

Office of Management and Budget
Technical Information Center, National Security and International Affairs Division,
General Accounting Office

Chairman and ranking minority member of each of the following congressional committees and subcommittees:

Senate Committee on Appropriations
Senate Subcommittee on Defense, Committee on Appropriations
Senate Committee on Armed Services
Senate Committee on Governmental Affairs
House Committee on Appropriations
House Subcommittee on National Security, Committee on Appropriations
House Committee on Government Reform and Oversight
House Subcommittee on National Security, International Affairs, and Criminal
Justice, Committee on Government Reform and Oversight
House Committee on National Security

Honorable Barbara Boxer, U.S. Senate
Honorable Dianne Feinstein, U.S. Senate
Honorable Brian Bilbray, U.S. House of Representatives
Honorable Randy Cunningham, U.S. House of Representatives
Honorable Bob Filner, U.S. House of Representatives
Honorable Duncan Hunter, U.S. House of Representatives
Honorable Ron Packard, U.S. House of Representatives

Audit Team Members

This report was produced by the Contract Management Directorate, Office of the Assistant Inspector General for Auditing, DoD.

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C. Report's Point of Contact: (Name, Organization, Address, Office Symbol, & Ph #): OAIG-AUD (ATTN: AFTS Audit Suggestions)
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